

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
7 June 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: The Situation in Yemen

1. The mid-April agreement negotiated by Ambassador Bunker for disengagement in Yemen, by which Saudi aid to the royalists was to end and the Egyptians were to withdraw their troops, has not yet been put into effect. The long delay has lessened considerably the chances of successful implementation of the agreement. Each side, partly as a result of confusion over the actual status of the agreement, has accused the other of generally acting in bad faith, and it is thus by no means certain that either will comply fully with the terms of the agreement once the observers arrive on the scene.

2. UN Secretary General Thant is still waiting to see whether the USSR will insist on a formal Security Council meeting to approve the UN inspection operations in Yemen. Both Egypt and Saudi Arabia have opposed a Security Council meeting because of a desire to avoid debate that could upset the delicate balance of the agreement. The Secretary General indicated earlier this week that if the USSR did not make its intentions known by 5 June he would proceed with implementation of the agreement and send an advance party of the observer force to Yemen, perhaps on Thursday. The matter of paying the costs of UN inspection operations is also still in dispute. Saudi Arabia has agreed to pay one half the costs--which it is estimated will be around \$1,000,000--providing Egypt pays the other half. Egypt has informed the UN it is willing to pay half the costs of the operation up to a total of \$200,000 and for a two month period, but that the payments would have to be made "in kind."

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State Dept. review completed

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4. The US Embassy in Cairo reports that the Egyptians are convinced that the Saudis will not halt the supplies until the UN observers arrive on the scene, and the embassy believes that Cairo may soon resume air attacks on the Saudi towns serving as supply depots.

There has also been some evidence that Egypt is using what appears to be some type of gas against tribesmen in Yemen. This introduction of gas by the Egyptians lends itself to political exploitation. Already Yemeni royalists representatives in Jiddah have complained to an International Red Cross representative there. Continued use of gas warfare by the Egyptians may bring sensational public charges by the Saudis, as well as protests in the UN. Egyptian use of gas warfare, however, is unlikely to have any significant effect on the immediate military situation.

5. The republican regime continues to encounter considerable opposition from royalist tribesmen in the northeastern part of the country and in isolated pockets in the northwest. Egyptian forces have not yet been reduced and remain at about 28,000.

6. The Yemeni government, meanwhile, is beset with a growing number of internal problems--primarily financial difficulties and increasing religious frictions--which it apparently hopes to ease through union with Egypt. President Sallal now is in Cairo where he is probably making a strong plea to Nasir who is reluctant to assume Yemen's problems. In addition, dissatisfaction within the republican regime over Sallal's

direction of affairs has been growing recently,

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On
26 May, the government arrested several civilian and military personnel on charges of plotting and at least three were executed and dragged through the streets of Sana.

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